

THE IDAHO DEPARTMENT OF FINANCE COMPLIANCE CONNECTION



2021 Spring Issue

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Mortgage Loan Originator Growth In Idaho

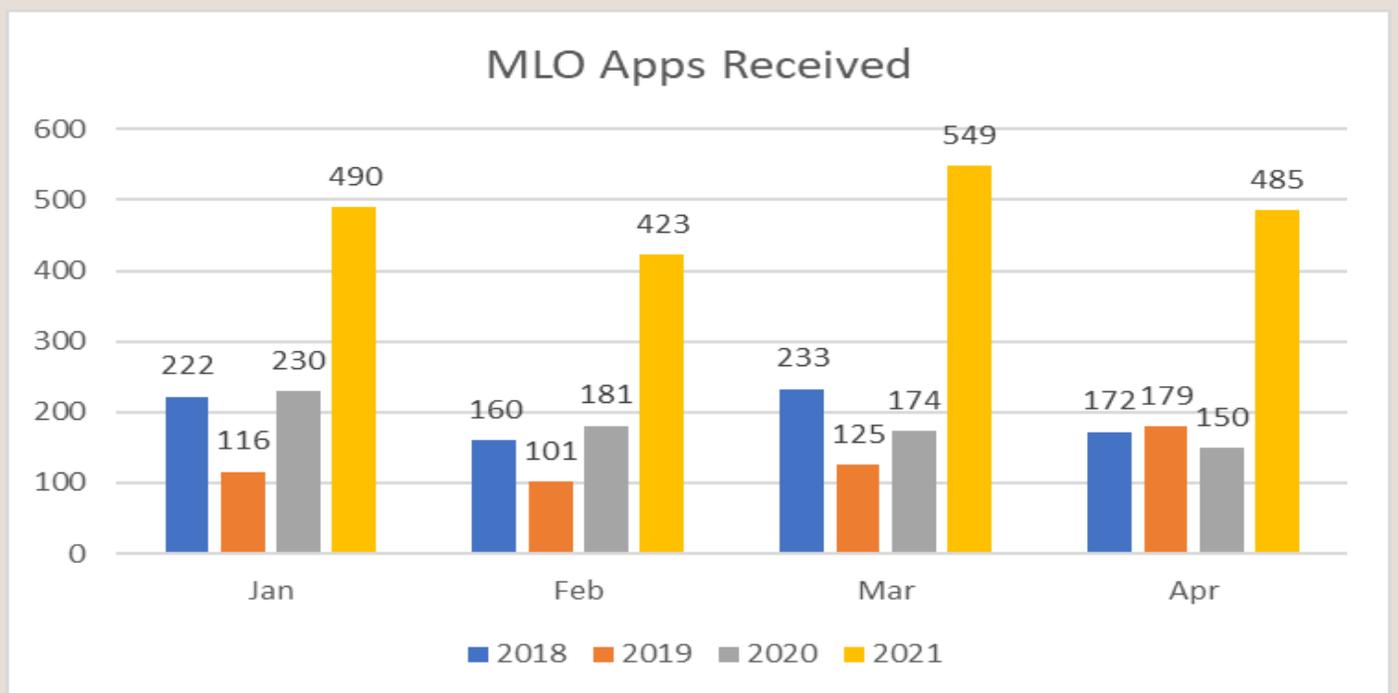
We can all agree, Idaho has always been a great place to live and work! In 2020 our state saw extraordinary growth. Across the nation NMLS recorded 688,327 Mortgage Loan Originator (MLO) licensees. Idaho ended 2020 with 6,326 licensed MLOs, up 18% from 2019. As of April 30, 2021, the number of MLOs licensed with Idaho had increased to 6,894, 9% since December 31, 2020.

Idaho continues to see the number of MLO applications increase, as well. Through April 30th, the Department has received 58% of the total applications received in 2020. With the volume of new submissions and amendments being received, it is difficult to estimate the exact time it will take to complete our review process.

Idaho is an Accredited State Mortgage Regulator which requires we follow certain standards in our application review. Each mortgage loan originator applicant is subject to a criminal background check, credit review for financial responsibility, and public records search. These review processes take time but are required by our accrediting authority.

The following data shows year-over-year Idaho MLO application and amendment volumes.

	Year-Over-Year comparison		2021 (through 4/30/2021)	2020 diff to 2019	2021 diff to 2020
	2019	2020			
MLO Apps Received	1907	3377	1947	177%	58%
Amendments	16006	21667	10848	135%	50%
	1/1/2019-4/30/2019	1/1/2020-4/30/2020	1/1/2021-4/30/2021		
MLO Apps	521	735	1947	141%	265%
Amendments	5092	6141	10848	121%	177%



Extension of Temporary Regulatory Guidance Regarding Working from Home Due to Coronavirus/COVID-19 Concerns or Quarantines

On March 12, 2020, the Idaho Department of Finance issued a Temporary Regulatory Guidance pertaining to the ability of individual employees of licensees to work from their own residence, without obtaining an Idaho branch license or registration for the location, and under specific requirements. The intent of the Guidance was to offer licensees the ability to continue business operations remotely while taking precautions to avoid the risk of exposure to COVID-19, and to comply with any quarantine requirements or stay-at-home orders.

The Department continues to recognize that as states and municipalities reduce limitations in varying stages, our licensees may need to continue remote operations in certain locations. Additionally, the Department understands that following these recent events licensees may want to continue evaluating whether it is beneficial to their businesses and their consumers to continue utilizing remote operations as part of their business processes. Therefore, the Department is extending its Temporary Regulatory Guidance until December 31, 2021. Licensees are still expected to meet the original requirements of the Guidance and should be prepared to meet any existing licensing or registration requirements after December 31, 2021. This extended Guidance may be modified or withdrawn by the Director as conditions change or as otherwise directed by Governor Little.

Questions regarding this Temporary Guidance may be directed to finance@finance.idaho.gov, or to (208) 332-8000.

Why Keep Your License in the “Paper” World When an Electronic Option is Available?

As of April 30, 2021, 100% of Idaho’s mortgage industry licensees, 74% of its collection agency licensees and 70% of its consumer lender licensees are on the Nationwide Multistate Licensing System (NMLS).

NMLS is a secure, web-based licensing system created by state regulators to provide efficiencies in the processing of state licenses. NMLS is not a regulatory body and does not make decisions on licenses. It is a conduit of information and the system of record for many state agencies. NMLS allows companies and individuals to apply for, maintain, renew and surrender state licenses in one or more states, conveniently and safely online in real time, through a single record. For licensees that means no more paper filings, mail costs or lost mail. Some of the functionalities NMLS offers include the electronic collection and disbursement of fees through credit card or ACH payment (no more checks), streamlined regulator license processing, streamlined annual renewals, as well as the submission and maintenance of electronic surety bonds.

Licensees can manage their license(s) with the state electronically, including a complete record of their filings and updates with the state agency, wherever an internet connection is available. If your company completes the transition process of its license, the formal approval of the transition can be held until November 1, 2021, which means no renewals would have to be filed until the end of 2022.

Additionally, the NMLS Resource Center provides step-by-step instructions on how to access the system, guides on how to complete the forms, tutorials, current and future participating agencies, system alerts and general background information. The NMLS Call Center is available to answer questions on system functionality and navigation. Training opportunities are also available in the News & Events section and from the home page. Information on how to get started can be accessed [here](#) and Department staff are also available to answer questions on transitioning your license records to NMLS at icc.mail@finance.idaho.gov, collections@finance.idaho.gov or by calling 208-332-8002.

Enforcement Actions April 1, 2020 through April 30, 2021

MORTGAGE LOAN ORIGINATORS

ANDREW WINDIAL BEZART II (Rialto, California) –April 1, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Bezart II did not request a hearing on the matter.

ROBERT MARK RACUSEN (Buffalo Grove, Illinois) --April 20, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required regulatory information within the Mortgage Loan Originator License Application. Mr. Racusen did not request a hearing on the matter.

JOHN C. SANFORD (Eagle, Idaho) – April 30, 2020- Hearing Officer’s Findings of Fact, Conclusions of Law, and Preliminary Order became a Final Order in the denial of the Mortgage Loan Originator Licensure Application of the applicant. Order Denying Mortgage Loan Originator License Application issued December 16, 2019, after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Applicant contested the denial and an administrative hearing was held on February 25, 2020, in which the decision by the Department to deny Applicant’s license application was upheld.

AUSTIN LEE SHARP (San Diego) – April 21, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Sharp did not request a hearing on the matter.

HEIDI ANNE LAURSEN (Boise, Idaho) – June 1, 2020- Consent Order entered into after licensee failed to disclose required financial information within the mortgage loan originator license renewal application. Licensee agreed to the denial of her license renewal application, effective July 1, 2020, and to disclose all required financial information and adverse actions taken against her on any future mortgage loan originator license application.

JUSTIN ALLAN KAUTZ (Corona Del Mar, California) –June 8, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Kautz did not request a hearing on the matter.

LISA ANN PARRA (Costa Mesa, California) –June 29, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Parra did not request a hearing on the matter.

MATTHEW DOUGLAS GILDAY (Rancho Cucamonga, California) – June 29, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Gilday did not request a hearing on the matter.

OSAROSE OLAREWAJU ISIBOR (Emeryville, California) – July 2, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Isibor did not request a hearing on the matter.

RICHARD ROBERT MARTINEZ (Meridian, Idaho) –August 7, 2020- Hearing Officer’s Findings of Fact, Conclusions of Law, and Preliminary Order became a Final Order in the denial of the Mortgage Loan Originator Licensure Application of the applicant. Order Denying Mortgage Loan Originator License Application issued January 10, 2020, after applicant failed to disclose required criminal background information within the Mortgage Loan Originator License Application. Applicant contested the denial and an administrative hearing was held on June 24, 2020, in which the decision by the Department to deny Applicant’s license application was upheld.

JUSTIN PATRICK MURPHY (Cuyahoga Falls, Ohio) –August 27, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Murphy did not request a hearing on the matter.

MICHAEL WILLIAM IACOUZZE (Cosa Mesa, California) – September 10, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Iacouzze did not request a hearing on the matter.

SANDRA MARY JACKSON (Corinth, Texas) – October 22, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Jackson did not request a hearing on the matter.

BERENICE SHERRER (Gilbert, Arizona) – On November 19, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Sherrer did not request a hearing on the matter.

KRISTAL ANNE BUTAY (Oakland, California) – November 19, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Butay did not request a hearing on the matter.

STEVEN CARL GRONLUND (Hayden, Idaho) – November 23, 2020- Consent Order entered concluding the denial of applicant’s mortgage loan originator application. On September 17, 2020, an Order Denying Mortgage Loan Originator License Application and Notice of the Opportunity for a Hearing was issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Applicant requested a hearing on the matter and an administrative hearing was scheduled. On November 23, 2020, a Consent Order was issued and the hearing was vacated. Applicant agreed that his application be deemed denied by the Department. The Department agreed to withdraw the September 17, 2020, Order and that the Order would be superseded by the Consent Order. Applicant paid \$500 in costs and attorney’s fees.

BRANDON JOSEPH WUNDER (Phoenix, Arizona) – December 28, 2020- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Wunder did not request a hearing on the matter.

DANIEL HERBERT TIMPSON (Centennial Park, Arizona) – January 12, 2021, Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required regulatory information within the Mortgage Loan Originator License Application. Mr. Timpson did not request a hearing on the matter.

JORDAN MARIE WARRELL (Surprise, Arizona) – January 14, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Warrell did not request a hearing on the matter.

FAITH AUNGUANETTE ROGERS (Anaheim, California) – January 21, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Rogers did not request a hearing on the matter.

HARVEER SINGH ANAND (Riverside, California) – February 17, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Anand did not request a hearing on the matter.

BURX ANDREW NORROD III (Albuquerque, New Mexico) – March 3, 2021- Hearing Officer’s Findings of Fact, Conclusions of Law, and Preliminary Order became a Final Order, concluding the matter in the Idaho Department of Finance’s denial of the mortgage loan originator licensure application. Notice of Intent and Opportunity to Request a Hearing was issued on August 20, 2020, after applicant failed to disclose required financial information. Applicant contested the denial and an administrative hearing was held on January 21, 2021, which upheld the denial. The Director declined to review the preliminary order and the Final Order of denial was issued.

OMAR BLANCO-GOMEZ (Glendale, Arizona) – March 8, 2021- Consent Order for Surrender of Idaho Mortgage Loan Originator License was entered into as resolution to the filed complaint for revocation. On February 22, 2021, a Verified Complaint for Revocation of Mortgage Loan Originator License and Notice of the Opportunity for a Hearing was issued after licensee failed to disclose required criminal action information. Under the terms of the Consent order, Mr. Blanco-Gomez agreed to surrender his Idaho mortgage loan originator license and not reapply for another Idaho license until October 2027.

KAITLIN ELIZABETH HORTON (Scottsdale, Arizona) – March 18, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required criminal action information within the reinstatement/renewal licensing application. Ms. Rogers did not request a hearing on the matter.

MELVONNE SHARISSE GEIGER (Suwanee, Georgia) – March 31, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Geiger did not request a hearing on the matter.

PETER JOEL CARLIN (Forked River, New Jersey) – April 1, 2021- Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Mr. Carlin did not request a hearing on the matter.

EVA FELAKORI (Upland, California) – April 7, 2021, Final Order Denying Mortgage Loan Originator License Application issued after applicant failed to disclose required financial information within the Mortgage Loan Originator License Application. Ms. Felakori did not request a hearing on the matter.

COLLECTION AGENCIES, DEBT/CREDIT COUNSELORS, DEBT BUYERS, DEBT SETTLEMENT COMPANIES, CREDIT REPAIR COMPANIES

INSTANT TAX SOLUTIONS, LLC (Coeur d'Alene, Idaho) – August 4, 2020- Consent Order entered into as resolution to the unlicensed operation of a debt counseling business in Idaho. Under the terms of the consent order, the company agreed to pay to the Department an administrative penalty of \$1,500, with \$1,000 to become due if the company engages in future unlicensed activity.

NIAGARA CREDIT SOLUTIONS, INC. (Lackawanna, New York) – September 11, 2020- Default Order Revoking Idaho Collection Agency issued for failure to maintain a surety bond. The company failed to file an answer to the Department's Verified Complaint seeking revocation of its license.

SYNERGY CREDIT SERVICES, LLC (Coeur d'Alene, Idaho) – Default Order Revoking Idaho Collection Agency issued for failure to maintain a surety bond. The company failed to file an answer to the Department's Verified Complaint seeking revocation of its license.

PIONEER LAW FIRM, P.C. (Broomfield, Colorado) – September 29, 2020- Consent Order entered into as resolution to the unlicensed operation of a debt/credit counseling business in Idaho. Under the terms of the consent order, the company denied that it was subject to licensure but agreed to not accept or enroll any new Idaho clients until the company obtains a license. The company is allowed to continue to provide services to its existing Idaho clients without charging additional fees. The company also agreed to refund \$12, 735.45 to an Idaho consumer for fees paid to the company and a settlement payment of \$4,000 to the Department.

BOULDER LEGAL GROUP, LLC (Lee's Summit, Missouri) – September 29, 2020- Consent Order entered into as resolution to the unlicensed operation of a debt/credit counseling business in Idaho. Under the terms of the consent order, the company denied that it was subject to licensure but agreed to not accept or enroll any new Idaho clients until the company obtains a license. The company is allowed to continue to provide services to its existing Idaho clients without charging additional fees. The company agreed to make a partial refund to an Idaho consumer for fees paid to the company in exchange for a signed release, but the consumer refused to accept the reduced amount. The company paid a settlement payment of \$7,750 the Department.

NATIONWIDE DEBT REDUCTION SERVICES, LLC (Plano, Texas) – January 4, 2021- Default Order Revoking Idaho Collection Agency issued for failure to maintain a surety bond. The company failed to file an answer to the Department's Verified Complaint seeking revocation of its license.

GO TO DRA, LLC and DRA, LLC both aka **DEBT RECOVERY ASSOCIATES** (Islamadora, Florida and Simpsonville, South Carolina, respectively) – February 4, 2021- Order to Cease and Desist issued for unlicensed collection activity in Idaho.

Proposed Delay in Effective Date for New Debt Collection Rules

The CFPB has proposed delaying the effective date of the new Debt Collection Rules by 60 days, from the current effective date of November 30, 2021, to January 29, 2022. The finalized Debt Collection Rules (Regulation F) consist of two major adjustments to the FDCPA: the first rule adds new communication methods allowed for collection activity and the subsequent changes relating to the sections in Regulation F on harassment or abuse, false or misleading representations, and unfair practices in debt collection, while the second rule revises the regulation on disclosures and other information debt collectors must provide during the initial attempt to use a new communication method with a consumer. Additionally, the second rule prohibits bringing or threatening to bring legal action against a consumer's time-barred debt or furnishing information to a credit reporting agency before certain actions to contact a consumer about a debt have been taken. For more details, follow the link below.

<https://www.federalregister.gov/documents/2021/04/19/2021-07505/debt-collection-practices-regulation-f-delay-of-effective-date4738>



FEDERAL REGISTER
The Daily Journal of the United States Government

Federal Register :: Debt Collection Practices (Regulation F); Delay of Effective Date

In 2020, the Bureau of Consumer Financial Protection (Bureau) finalized two rules titled Debt Collection Practices (Regulation F). The rules revise Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA). Both final rules have an effective date of November 30, 2021. For more information visit

Consumer Finance Bureau Statistics As of April 30, 2021

<u>Active Licensees (as of 4/30/2021)</u>		<u>Withdrawals/Surrenders (4/01/2020-4/30/2021)</u>	
Mortgage Brokers/Lender	1980	Mortgage Broker/Lenders	251
Mortgage Loan Originators (Approved-Active)		Mortgage Loan Originators	596
	6288	Regulated Lenders (Inc. Payday/Title)	15
Mortgage Loan Originators (Approved-Inactive)		Collections	43
	625		
Regulated Lenders (Inc. Title Lenders)	755	<u>Terminations (failed to renew licenses) (4/01/2020-4/30/2021)</u>	
Payday Lenders	126	Mortgage Broker/Lenders	28
Collection Agencies	1166	Mortgage Loan Originators	605
Debt/Credit Counselors	48	Regulated Lenders (Inc. Payday/Title)	6
Debt Buyers	114	Collection (all categories)	20
Credit Repair Company/Organizations	14	<u>Exams Conducted (4/01/2020-4/30/2021)</u>	
Debt Settlement Companies	22	Mortgage Brokers/Lenders	40
Collection Agency Agents/Solicitors	46,878	Branches	46
		MLOs	216
		Regulated Lenders (Inc. Payday/Title)	11
		Branches	3
		Collection Agency	31
		<u>Complaints filed (written) (4/01/2020-4/30/2021)</u>	
		Mortgage (Origination/servicing)	40
		Mortgage Loan Originators	12
		Collection Agency	74
		Payday Lender, Regulated Lender (Finance Co., Payday, Title)	37
<u>Legal Actions (4/01/2020-4/30/2021)</u>			
Denial	26		
Cease & Desist	1		
Revocations	3		
Consent Order	4		

Did You Know....

- The Department of Finance modernized its mission statement? The updated mission statement reads *“Safeguarding the financial health of Idahoans through the appropriate oversight of diverse financial institutions, the education and protection of consumers, and by fostering sensible innovation in the financial services market.”*
- During the period April 1, 2020-April 30, 2021, 83 mortgage loan originator applications were referred for denial solely due to failure to disclose financial, regulatory and criminal actions. Truthful and complete disclosures to the application questions allows the Department to work with applicants towards their licensing goals. Lack of disclosure results in false application attestations, application withdrawal or denial orders, loss of fees, potentially loss of current and future temporary authority and reputational risk. It is important to know that most public records, such as liens and judgments, will NOT appear on an individual’s credit report.
- Of the 163 consumer complaints filed between April 1, 2020-April 30, 2021, other than unlicensed activity, the top consumer issues reported are related to general customer service and communications, as well as advertising and disclosures. The financial impact for Idaho consumers, in the form of restitution, adjustment and refunds, totaled over \$51,000.
- The Primary Contact Person listed on all license applications and renewals CANNOT be a third-party firm or non-employee of the applicant or licensee. Third-party persons may listed as Secondary-contact personnel only.
- Collection agency Agent Reports, due quarterly, cannot be filed for past quarters through Access Idaho. Past due reports can only be filed by paper and must be accompanied by a check—credit card and ACH options are not available for delinquent reports.
- The Bureau does not issue paper licenses for any of its license programs and does not require proof of licensure to be posted by the licensee within its offices. All approved license information is displayed on the Department’s website at <https://www.finance.idaho.gov/licensee-search/> along with renewal confirmation and other information. Licenses maintained in NMLS may additionally be verified through NMLS Consumer Access at <http://www.nmlsconsumeraccess.org>.
- The Department participated in financial outreach in-person and virtual events that included a 12-part series live-stream investor education series, the Smart Women, Smart Money Boise conference, a “Lunch and Learn” 5-part series on cybersecurity as well as mortgage loan originator continuing education courses.

Idaho Mortgage Lenders Association along with the Idaho Department of Finance presents.....

8 Hours of Continuing Education

Complete All 8 Hours of
Required CEU's in ONE
Day!!

Class Includes:

ALL CLASS CONTENT DIFFERENT
FROM LAST YEAR!!

3 Hours Federal

1 Hour State

Lunch Break
12 –1 pm

2 Hours Non-Traditional

2 Hours Ethics

PLEASE NOTE:

If you do not have your individual NMLS ID # and a photo ID at the time of the training, credit cannot be given. IF YOU ARE LATE FOR CLASS credit cannot be given. NO EXCEPTIONS



SAVE THE DATE

**Registration
information
and links to follow.**

WHEN & WHERE: (8:00am– 5:00pm, lunch break Noon – 1 pm)

Boise– Wednesday, September 22, 2021

Red Lion Hotel, 1800 W Fairview Ave, Boise, ID

Pocatello—Tuesday, September 21, 2021

(location to be confirmed)

Coeur d'Alene– Thursday, September 23, 2021

(location to be confirmed)

State Law will be offered. Registration is allowed for those attendees that only want to take the law class for a fee of \$25. (It is included in the fee for all-day attendees)

PLEASE NOTE THAT THESE DATES ARE SUBJECT TO COVID 19 REQUIREMENTS IN PLACE AT THAT TIME. AN ONLINE OPTION, IF NEEDED, IS BEING EXPLORED.

Early Bird—on or before August 1st: After August 22nd:

IMLA Members: **\$99**

IMLA Members: **\$129**

Non-Members: **\$129**

Non-Members: **\$209**

See below for membership information.

See below for membership information.

Lunch will be provided and is included in the Registration Fee.

NO refunds will be given after August 22.

ALL cancellations and/or registrations changes (including incorrect payments) will incur a \$10 fee.

Thanks to our training sponsors:



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DEPARTMENT OF FINANCE

IMLA
Idaho Mortgage Lenders Association

Not a member? Join today at:

www.idahomortgagelenders.org

For Sponsorship information please contact:

Leah Marchbanks: info@imla.org

USPS

REGULAR MAIL

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OVERNIGHT DELIVERY

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Mortgage Loan Originators:
MLO@finance.idaho.gov

For Regulated Lenders,
Title Lenders, Payday Lenders:
ICC.mail@finance.idaho.gov

Collection Agency Licenses:
Collections@finance.idaho.gov



This newsletter is produced semi-annually as a part of the Consumer Finance Bureau's continued communication outreach with the companies it regulates. Delivery is provided by electronic notification of its availability on the Department's website at www.finance.idaho.gov. Suggestions and comments concerning the newsletter or its contents should be sent to the Bureau at PO Box 83720, Boise, Idaho 83720-0031 or via email to K.C.Schaler@finance.idaho.gov